

# **Rochester Land Bank Corporation**

## **Meeting Minutes**

**February 19, 2015**

**City Hall, Rm. #223-B**

**30 Church Street,**

**Rochester, NY 14614**

**Board Members Present:** Andrea Guzzetta, Kim Jones, Gary Kirkmire, George Parker, Carol Wheeler

**Board Members Absent:** Dana Miller, Kate Washington

**Non-Board Members Present:** Maritza Mejias, Rianne Mitchell, Paul Scuderi, Scott Smith

The meeting was called to order at 3:05 pm by Carol Wheeler, Board Chair.

The minutes from the last meeting were distributed. Kim Jones moved that the minutes be approved. Gary Kirkmire seconded. The motion was approved by the board.

The Board discussed the draft of the annual report to City Council. Carol Wheeler noted that the report did not contain a section about upcoming activities as was recommended at the last meeting. Carol also suggested that the administrative activities, projects, and expenditures be divided into categories by time period: 2013/2014 fiscal year; 2014/2015 fiscal year to date; and future. She mentioned upcoming CRI grant activities, the 2015 Tax Foreclosure Auction and the pursuit of property donations from additional financial institutions as some items that could be included in the "future" category. In particular, she felt the City's ongoing negotiations with Bank of America were of note and asked Gary Kirkmire to provide the board with an update. Gary reported that discussions with Judge Doyle to expedite more foreclosures to his docket are moving forward. There is also a regular bi-weekly conference call between the City and Bank of America. Bank of America professes to be willing to move forward with foreclosures on properties of interest to the Land Bank or the City, but claims that it has no leverage to do so when the mortgages are federally backed. For properties that are within its discretion to foreclose, Bank of America has requested the City play a role in reviewing properties for occupancy and usefulness in City initiatives prior to the completion of the foreclosure action. Gary Kirkmire brought up the fact that with the Land Bank augmenting the City's demolition budget using the CRI, the demolition of some of the more expensive commercial or industrial structures that have been on the City's demolition list will be able to proceed, ultimately creating brownfields. He suggested that perhaps future funding pursuits could be focused on those opportunities. Paul Scuderi noted that properties seized by U.S. Marshalls on behalf of the Department of Justice have generally been funneled to the City, but may be another potential upcoming activity the Land Bank could pursue. Carol Wheeler then asked the board's opinion on what should be highlighted in her presentation to City Council. Andrea Guzzetta offered the opinion that Council would likely be particularly interested in the ultimate disposition of properties donated by banks and may want to track the progress of such properties over time to get a sense of the Land Bank's impact on neighborhoods. Gary Kirkmire mentioned visually highlighting properties rehabilitated with Land Bank funds that are in proximity to blighted properties might be a useful illustration.

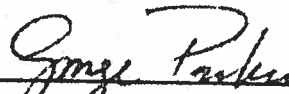
Kim Jones next gave the board some information regarding the Land Bank's first tax return and its first audit. An error in the investment gain/loss that was discovered during review of the Form 990 prepared by Maxick brought to her attention that the audited financial statements did not take into account the City had awarded the Land Bank to participate in the Bevier Building transaction. While this did not ultimately change the Land Bank's financial position at the end of the fiscal year, she has requested that Maxick revise the Land Bank's audit. As the accuracy of the tax return depends on accurate financial statements, the Land Bank has requested and received an additional three month extension from the filing of the Form 990. The City's Finance Director will be sending a memo to City Council informing them of this extension to the audit and Kim Jones will add a note to the Land Bank's report to City Council, as well. Paul Scuderi asked when the revised audit would be completed. Kim answered that when she had provided the auditors with new information, they indicated that the audit revision would not take more than a few weeks. George Parker asked why the grant was problematic. Kim explained that the problem was not with the grant itself, but there were some errors in the grant reporting during the last fiscal year and, for this reason, she has been directly overseeing grant reporting transactions going forward. She attributed the impetus for this new reporting mitigation strategy to the Land Bank board's careful review of the Form 990 tax return.

Next, the board discussed organizing a working group to plan the Visioning Meeting with the Land Bank Community Advisory Group. Carol Wheeler reiterated that in addition to informing the group about what the Land Bank is currently doing, this could be an opportunity to begin to invite the group to take a more active role in advising the Land Bank. Gary Kirkmire, George Parker, Scott Smith and Carol Wheeler volunteered to form a working group and agreed to find time for a planning meeting prior to next month's board meeting.

The board then reviewed the CRI grant reports and the Treasurer's report. The Treasurer's report reflected the closing of the sale of 62 Chamberlain Street to RGRTA that allowed the Land Bank to close the Credit B at the 2014 Tax Foreclosure Auction using the sale proceeds. The grant report remained largely unchanged from the previous month due to the seasonal nature of both construction and the real estate market. Acquisitions are continuing, however, with one more completed since the last meeting and five properties in the pipeline. Gary Kirkmire asked the source of the five potential acquisitions. Maritza Mejias answered that four were donations directly to the RHDFC and one was part of the ACA program. Kim Jones asked that the source of the acquisition be added to the Development Phase report.

Finally, the board reviewed its ongoing action plan. Recent additions to the plan included this year's biennial report for the Public Authorities Board due at the end of April and the board's participation in the Regional Vacant Properties Conference. Andrea Guzzetta noted that the dates of the conference coincide with the City Council meeting which may make conference attendance untenable for some board members.

The meeting was adjourned at 4:02 pm.

ATTEST:   
George Parker - Secretary, Rochester Land Bank C